

**REMARKS:**

In the outstanding Office Action, the Examiner rejected claims 1-12. Claims 1-3 and 8-12 are amended herein. No new matter is presented. Thus, claims 1-12 are pending and under consideration. The rejections are traversed below.

**EXAMINER INTERVIEW:**

Applicants would like to thank the Examiner for taking the time to conduct an Examiner Interview on March 15, 2007, and respectfully request that the Examiner contact the undersigned if further clarification is needed to expedite prosecution of the application.

In the Office Action mailed October 19, 2006, claims 1-12 were rejected under 35 U.S.C. § 103(a) as being unpatentable over various combinations of the following: U.S. Patent No. 6,467,684 (Fite), U.S. Patent No. 5,897,621 (Boesch) and U.S. Patent No. 6,505,171 (Cohen).

During the Interview, Applicants set forth the patentable distinctions and benefit of the present invention over the cited references, including use of an electronic bearer bond (or electronic document) as a universally acceptable form of payment such as credit cards, debit cards, etc. A purchaser using the claimed electronic transaction system and method may convert the electronic bearer bond to any universally acceptable payment form and use the bearer bond as payment for purchases. For example, the bearer bond may be converted for use with a merchant that accepts only American Express as a form of payment, or another merchant who uses a particular pre-paid card.

The claimed invention also enables the user to remain anonymous with respect to the transaction, thereby eliminating the requirement for purchasers to have a credit card, bank accounts, credit history, etc., to perform everyday electronic transactions.

At the conclusion of the Interview, the Examiner agreed to withdraw the outstanding rejection and acknowledged that Fite, Boesch and Cohen, alone or in combination, do not teach or suggest the discussed features of the present invention. As discussed below, each of the independent claims are amended herein to clarify the distinguishing features of the present invention, including features pointed out during the Interview.

Independent claim 1, as amended, recites, "providing an online electronic bearer bond having a monetary value without linking the online electronic bearer bond to identity of a specific user" and "performing monetary transactions with said bearer bond as a payment by converting

the monetary value of said bearer bond for use with existing payment protocols.”

Similarly, claim 2 recites, “performing transactions using the electronic document as a payment by converting a value of said electronic document for use with existing payment protocols”, where the electronic document is provided “without linking the electronic document to identity of a specific user.” Claim 8 recites similar features.

Independent claim 3 recites, “converting the first value in the first currency into a second value in a second currency” and “executing an electronic transaction by using the second value of the second currency as payment for the item without linking identity of parties to execute the electronic transaction.” As such, the method of claim 3 enables creation of “a universal form of payment acceptable by any merchant that uses an existing payment protocol.”

Claim 9 recites, “issuing the interactive electronic bearer document having a monetary value... without linking the verification information to identity of a specific user” and “executing the electronic transaction using the issued interactive electronic bearer document as a form of payment by converting the monetary value of said bearer document for use with existing payment protocols.”

Independent claim 10 recites, “executing the electronic transaction using the interactive electronic bearer document as a form of payment with respect to an existing accepted form of payment” where the interactive electronic bearer document is “converted to a universally acceptable payment form by performing necessary operations by any user and used as the form of payment for the electronic transaction.”

Claim 11 also recites, “receiving an electronic document having a first form of payment for the electronic transaction from a user...”, “converting a value of the first form of payment into a universally accepted form of payment, transferring the universally accepted form as a second form of payment to a merchant” and thereby “creating a universally accepted form of payment as requested by the user.”

Claim 12 recites, “transmitting an electronic document having a set of pre-defined protocols as a form of payment for a transaction”, where the document is transmitted “without requiring indication of identity of a user and having a universally acceptable value.” The method of claim 12 includes, “using the electronic document as a payment to a merchant employing an existing payment protocol including credit cards.”

Fite is limited to use of pre-paid cards for transactions offered by particular merchants accepting the pre-paid cards. The Fite card vendor terminal requires a card reader for receiving and reading the card identification number from the magnetic strip (see, col. 3, lines 10-18). As such, the pre-paid cards are restricted to use for purchases from certain merchants who accept the pre-paid card for payment (see, col. 1, lines 52-57 and col. 3, lines 53-65).

Similar to Fite, Cohen is directed to handling purchasing transactions using pre-paid cards as the medium of exchange between a purchaser and certain merchants (see, col. 7, lines 11-15 of Cohen regarding information request from the consumer including shipping and billing addresses, method of payment, credit card numbers, expiration dates, and other pertinent payment information").

On page 3 of the outstanding Office Action, the Examiner acknowledges that Fite does not explicitly teach using the pre-paid card for existing payment protocol, but relies on Cohen as teaching the same. Cohen discusses prompting the consumer to select from using the credit card or the pre-paid card as a form of payment for the items (see, col. 7, lines 9-20). However, Cohen is limited to use of the credit card (requiring identity of the customer), or the pre-paid card particular to the merchant, and thus, does not teach or suggest universal use of bearer bonds with existing payment protocols, as taught by the claimed invention.

Boesch discusses linking customer and merchant accounts including identity thereof for executing a multicurrency transaction. In Boesch, a server maintains a customer account associated with a customer user and a merchant user (see, column 4, lines 10-17) to identify the customer and the merchant based on the stored information related to the customer and merchant (see, column 5, lines 53-65).

None of the cited references, alone or in combination, teach or suggest converting an electronic bearer bond and using the same as a universally accepted form of payment, as taught by the claimed invention (see above discussion of claims).

It is submitted that the independent claims are patentably distinguishable over the cited references.

For at least the above-mentioned reasons, claims depending from the independent claims are patentably distinguishable over the cited references. The dependent claims are also independently patentable. As recited in claim 6, for example, "an electronic bearer document is

used as payment for the item." Boesch, Fite and Cohen, alone or in combination, do not teach or suggest these features of claim 6.

Therefore, withdrawal of the rejection is respectfully requested.

**CONCLUSION:**

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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Date: 03/19/2007

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